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U.S. Halts Exports Of 2 Feed Grains

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In an emergency action designed to head off meat, poultry and milk shortages, the administration yesterday imposed an immediate embargo on exports of soybeans, cotton seeds and the meal and oil products from those two crops.

The grains, are key ingredients in producing feed for livestock and poultry and are currently in tight supply at prices far above normal. Farm officials have warned that the pinched supply of feeds was forcing livestock producers to slash production.

The embargo, effective at 5 p.m., was announced at a news conference by Commerce Secretary Frederick Dent and Agriculture Secretary Earl L. Butz.

"These controls have been imposed because of the extremely tight supply situation in these commodities until the (1973) soybean crop is harvested. Whether controls will be necessary after that time will depend on the amount of the harvest, the level of ex-

port demand, and the level of prices in the United States," Dent said.

The administration action was touched off when the Agriculture Department earlier yesterday released a report showing that exporters as of June 13 had sales contracts covering shipments of more than 92 million bushels of soybeans during the rest of the 1972-73 marketing year, which ends Aug. 31.

Officials said these planned exports were far greater than they had expected—6 per cent higher than previous estimates for soybeans and 27 per cent higher for soybean meal.

Earlier, officials had indicated they expected to wait until mid-July before reaching a decision on export controls. But the new figures forced immediate action.

Butz, calling the step a "drastic action," said it was needed because the short supply and soaring prices of livestock feed had imperiled the

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Embargo Put On Exports Of Soybeans

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nation's future meat supply. He said that if the export controls hold down feed prices it will reduce pressure to raise ceilings on meat and other livestock foods.

Dent said that by July 2 the government will announce an allocation program showing how much of the embargoed products will be allowed to go abroad and how they will be divided among foreign customers.

Officials did not say how much of the 92 million bushels of soybeans previously scheduled for export would be retained for U.S. use, but indicated that at least a portion of it would be kept in this country to protect U.S. consumers and farmers.

Dent said no export controls were ordered for corn at the moment, but warned this might be necessary if yesterday's action on soybeans and cotton seeds produces a substantial increase in export orders for corn.